



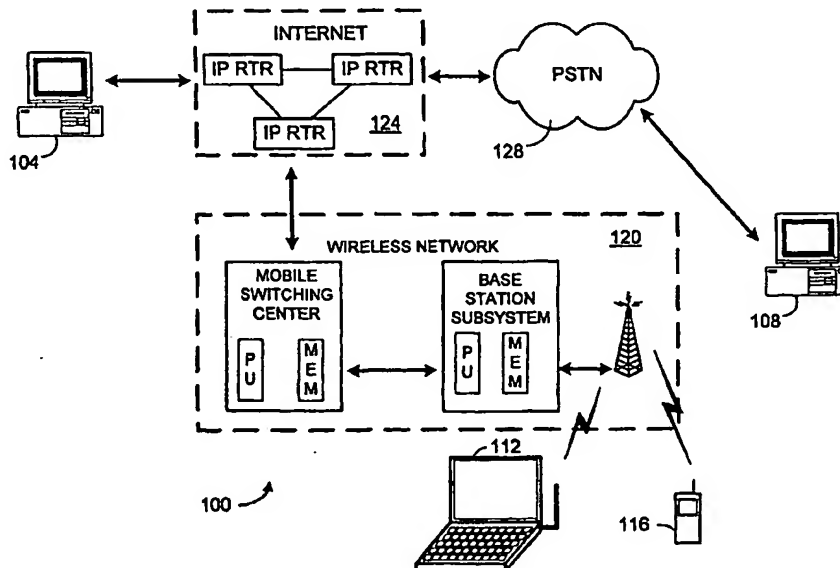
## INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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**(54) Title: SYSTEM AND METHOD FOR PERFORMING INTERNET BASED PURCHASE TRANSACTIONS****(57) Abstract**

A facilitator server (FS) (fig 8, item 800) is formed to facilitate product and service sale transactions in a new manner in which the facilitator participates in the transaction by assisting sellers find buyers, assisting buyers find sellers, and by funding the transaction in specified circumstances. Thus, the FS examines a buyer ID (fig 3, item 304) and determines whether the buyer is on an approved buyer's list or whether the buyer is on an approved buyer's list or whether the buyer meets requirements for receiving sufficient credit to fund the bill of sale. For those transactions in which the buyer is approved for credit and bill of sale, the facilitator issues payment to the product seller immediately and then collects from the buyer

in the future. In the preferred embodiments, however, the FS issues credit and a bill of sale and issues a payment to the seller immediately. The FS can receive the requirements for a buyer to whom credit and a bill of sale is to be issued either from the facilitator or from the sellers by way of a terminal directly coupled to the server or by way of a communication network, (fig 1, item 124) respectively. The FS also is formed to generate chat rooms to enable buyers and sellers to negotiate the terms of a transaction and to enable buyers and sellers to negotiate the terms of a transaction and to enable buyers and sellers to advertise for response by others. Finally, the FS includes logic to enable the parties to engage in a transaction chat room anonymously until such a time the parties decide to identify themselves.



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**TITLE: SYSTEM AND METHOD FOR PERFORMING  
INTERNET BASED PURCHASE TRANSACTIONS**

## **SPECIFICATION**

### **BACKGROUND**

#### **1. Technical Field**

5       The present invention is generally related to systems that facilitate electronic sales transactions over a general access computer network and, in particular, to a system and method for facilitating Internet based sales transactions in a manner that includes a facilitator, a buyer and a seller.

#### **2. Related Art**

10       Recently, there has been significant growth in the quantity and diversity of information services available over the Internet. The exponentially increasing numbers of users of the Internet is rapidly changing the commercial landscape and the manner in which business and commercial transactions are performed. Because new communication infrastructures including satellite networks and other wireless networks as well as the  
15       Internet, commonly referred to as the World Wide Web, have created new forms of communications on a regional and international basis, individuals now have access to information that is heretofore unprecedented. The explosion of the World Wide Web enables sellers to communicate with buyers inexpensively even if located on opposite sides of the world.

20       With respect to the retail industry or service industry, it is now commonplace for a buyer to search the web for the particular item or service desired. Typical search results include not only those companies that sell the products or services whose descriptions include the buyer's search terms but also the web sites of service providers that in turn perform a function that facilitates the transaction. For example, it is common to find web  
25       sites that produce comparative lists of sellers that carry the desired product or service.

      Thus, the web as a major venue for facilitating commercial transactions for products and services is new and continues to explode in usage. With this new technology, many new issues are presented. Alternatively, old issues are presented in a new form. For example, one key issue is the general concern held by all about the security of confidential  
30       information including financial, and more specifically, credit card account information. In response to this concern, many systems for securing financial information have been created

so that the consuming public may shop with relative peace of mind.

A typical transaction includes the following steps. First, the user logs into the computer system of an Internet service provider (ISP). The ISP then uses a common search engine to produce a list of search results requested by the user. The user then reviews the list, and selects the universal resource locator's (URL's) of the web sites for those companies whose services or products the user wishes to further investigate. A URL is, simply put, an Internet address. Thus, a list of search results typically includes a corresponding URL for each result so that the user may log into the particular company's web site to receive additional information.

Once the user decides to make a purchase, a graphical user interface (GUI) screen display is generated by the company selling the service or product that the user wishes to purchase is transmitted to the user terminal so that the user may complete the necessary information to close the transaction. A typical GUI screen display is one that contains information, figures, and symbols in a non-modifiable form as well as object fields for receiving information from an individual.

The necessary information always includes object fields for the user to complete with credit card account information. Once the transaction is closed, a confirmation of the transaction is typically presented to the user with a final transaction amount. Some vendors generate the confirmation by e-mail while others generate it by fax or mail.

The above-described method is advantageous in that it typically reduces the amount of time and effort that must be made by a buyer to find and purchase a specified service or product. Unfortunately, however, such a system also has its problems. First, the user must transmit credit card and personal information such phone number and home address to the seller to complete the transaction. Frequently, the user has not been previously exposed to the seller and thus must produce the credit card information with some degree of good faith regarding the intentions of the recipient. In many cases, users transmit the credit card information just to find out that the seller is out of stock. Thus, the user has unnecessarily provided financial information to what is often an unknown party. Moreover, users must also assume that the recipient is taking care of the credit card information to protect it from access by others. Given the recent rash of reports about hackers gaining unauthorized access to the computer records of others, assumptions that the account information is safe and protected are not always well founded.

Another problem with such electronic commerce is that current systems do not

readily support bartering and negotiations over price. Thus, if a user is not happy with the quoted price, he or she merely selects another service or product supplier having a lower price. Thus, suppliers that cannot negotiate price to make their price competitive lose an opportunity to make a sale. Some suppliers may be willing to negotiate but the  
5 implemented systems do not support such negotiations between the buyer and seller.

Yet another problem with current electronic commerce systems is that a user must supply credit card information to each company from which it wishes to purchase a service or product. Thus, a user's confidential credit card information is widely disseminated for those users that make many electronic transactions and purchases. Thus, there is a clear  
10 need for the ability for a user to perform purchases over the Internet that are secure, convenient and efficient and that minimize the risk that the user takes when making such a transaction.

In addition to security issues, the use of credit cards to finance transactions is limited for business purchases. Typically, a credit card has a spending limit that can range from  
15 \$1500 to \$50,000. As high as the larger number might be for a consumer, that credit limit is insufficient for any going concern that, in the ordinary course of business, purchases significant volumes of supplies for manufacturing or products for reselling. Thus, for these businesses, it is common to seek a line of credit with a banking institution and then to fund the transaction as if the payment were coming directly from the business checking account.  
20 Such businesses, therefore, cannot utilize the Internet as readily as individual consumer and cannot readily purchase products or services in large volumes over the Internet. What is needed, therefore, is a system and a method that facilitate making purchase transactions over the Internet in a manner that address the shortcomings identified by the inventors herein.

25

#### SUMMARY OF THE INVENTION

A facilitator server (FS) is formed to facilitate sale transactions for products (goods and services) in a new manner in which the FS participates in the transaction by assisting sellers find buyers, assisting buyers find sellers, and by buying and reselling the selected product from the seller and to the buyer, respectively (in specified circumstances). By  
30 having a facilitator become involved as a third party to the transaction through the FS, sellers are able to collect immediate payment. Buyers, on the other hand, may obtain a discount, or alternatively, may consummate a transaction while maintaining anonymity.

The FS examines a buyers ID and determines whether the buyer is on an approved buyer's list or whether the buyer meets requirements for receiving sufficient credit to fund a bill of sale. For those transactions in which the buyer is approved, a credit is issued to the buyer and a bill of sale is generated upon the subsequent product selection by the buyer.

5 Thereafter, the FS generates payment, in those embodiments in which the facilitator has not pre-purchased the selected item, immediately to the seller. A bill of sale is, therefore, generated to the buyer with specific terms, e.g., net-30 terms (payment due in 30 days). Accordingly, the facilitator funds, and actually buys the product from the seller in either  
10 embodiment regardless of whether the facilitator has pre-purchased the product or purchased it for the buyer upon buyer selection. The FS then generates a bill of sale and a bill to the buyer in the name of the facilitator to prompt the buyer to send payment to the facilitator. The total cost of the purchased product is then deducted from an amount of credit that is issued to the buyer. Once the facilitator receives payment, and indication of the same is made and a signal is transmitted to the FS so that the FS won't, from running  
15 internal programs, issue flags or warnings about non-payment on the part of the buyer. Additionally, the amount of credit is restored to its original amount unless the transaction history of the buyer warrants increasing or decreasing the credit amount.

If the buyer does not wish to purchase the product with credit provided by the facilitator (as indicated by buyer response to options provided by means of a GUI screen),  
20 the FS generates a plurality of display signals to prompt a destination terminal to generate a GUI screen to prompt the buyer to enter credit card account information. Alternatively, the order is placed on hold to allow the buyer to transmit a payment to the facilitator of the FS. Once a payment has been received and the FS receives a signal indicating the same, it issues payment to the seller to complete the transaction and generates a bill of sale to the buyer  
25 indicating payment has been received. In the preferred embodiments, however, the FS issues bills of sale based upon buyer purchase history or credit (if not already issued) and pays the seller immediately.

The bills of sale generated by the FS are backed either by the facilitator after the FS determines that the buyer is one whose credit history or purchasing history with the  
30 facilitator or is backed by a credit card company. In an alternate embodiment of the invention, the FS determines the credit worthiness of the buyer based upon criteria defined by defined by the seller and stored within storage of the FS. In this embodiment, it is the seller that assumes the risk for non-payment by the buyer. Alternatively, the FS only

generates credit amounts and bills of sale to buyers identified in a list provided either by the facilitator or the seller.

For each type of transaction, the FS also is formed to generate, in the currently preferred embodiments, interactive windows, also known as chat rooms, to enable buyers and sellers to negotiate the terms of a transaction. Thus, if a buyer, for example, wishes to post a window defining the product that he or she wishes to purchase, sellers are able to select a posting to respond to it. Thus, the text generated by the seller is received by the FS and transmitted to the buyer and vice versa. Moreover, each party is given an opportunity to choose whether to conduct the negotiations anonymously. The identities of the parties are kept confidential until each party has chosen to reveal his or her identity. In yet another embodiment, the FS merely generates a chat room for buyers that do not wish to obtain credit or a bill of sale from the facilitator to enable the buyer and seller to negotiate transaction terms and payment arrangements.

While the described embodiments include the use of interactive windows, or chat rooms, it is understood that the invention is not limited in scope to the use of interactive windows as is currently known to those skilled in the art. More generally, any type of interactive form of communication may be used including video conferencing, voice, voice translation to text, specialized interactive windows for handheld devices, and even more traditional integrated voice response (IVR) units similar to those that are commonly used in the Public Switched Telephone Networks (PSTN) that prompt users to respond by depressing a key or to respond by voice.

An FS facilitated transaction thus typically includes the steps, if necessary, of posting the equivalent of an advertisement for the purchase or sale of a product or service, the masking of initiator and respondent IDs, if desired, the creating of a chat room to enable the parties to negotiate or discuss terms, the issuing of bills of sale for those buyers that desire to allow a facilitator to pay for the product with by issuing a bill of sale to the buyer and then based upon the amount of the remaining credit, completing the deal and issuing payment to the seller. Again, a bill of sale is generated in this manner if the buyer is on an approved list or has a background including credit history/rating that satisfies either the facilitator or seller requirements. Finally, the invention includes having an FS promptly issue payment to the seller and then collect from the buyer or the buyer's credit card company at a later time in those transactions wherein the buyer has a credit with the facilitator or has been authorized to make a purchase by the buyer's financial institution.



The bill of sale may be generated by email, voice mail, or printed and mailed by conventional mail or any other known paper or electronic process.

In an alternate embodiment of the invention, the facilitator has previously purchased select products based upon expected demand. For these embodiments, the FS does not  
5 generate payment to a seller. Rather, the FS generates the chat rooms to enable the seller and buyer to negotiate a price or other purchase terms. Thereafter, once a deal is reached, the FS generates a bill of sale to the buyer for the purchased product. The FS also analyzes the terms of the transaction of the price was negotiated, to determine a balance amount between the facilitator and the seller according to a previously reached agreement. If  
10 proper, the FS generates either a bill or a payment to the seller to account for variations in price assumed for the purchase selection. The manner that such a bill or payment is calculated and issued to the seller is defined by the seller and facilitator.

A corresponding apparatus includes a processor and storage containing computer instructions that define operating logic to prompt the processor to perform the above listed  
15 process steps. The apparatus is operable, therefore, to create a posting and to create a "chat room" to enable the parties to negotiate the transaction, to enable either one or both of the parties to conduct the transaction with anonymity as long as anonymity is desired, and to create electronic forms for use by both parties to effectuate the transaction. Additionally, based upon defined conditions, the apparatus is operable to initiate payment to the seller  
20 immediately, to generate a bill, e.g., net 30, to the buyer for payment of the product, and to maintain a transaction record indexed by a transaction number for reference by both parties. The apparatus further includes account balance information for buyers to determine remaining balance and personal transaction. Finally, the apparatus includes maintaining transaction histories of the various products to enable seller to track information such as a  
25 listing of what products have been offered for sale, the amount of interest generated by the offerings, a listing of what products have been sold as well as inventory, buyer transaction details and authorization histories.

The apparatus comprises a server including a processor, a storage device, a memory and at least one port for communicating with other devices over any one of a plurality of  
30 different network types. The storage device includes computer instructions that are executed by the processor to perform the defined functionality. The storage device also is formed to store transaction histories and data according to the formats specified within the computer instructions.

### BRIEF DESCRIPTION OF THE DRAWINGS

FIGURE 1 is a functional block diagram illustrating a network that includes an interactive transaction facilitator server coupled to a plurality of buyers and to a seller according to one embodiment of the present invention;

5       FIGURE 2 is a flow chart illustrating a method for issuing credit and bills of sale according to one embodiment of the inventive method;

FIGURE 3 is a flow chart illustrating an alternate preferred embodiment of a method for issuing credit and bills of sale;

10       FIGURE 4 is a flow chart illustrating a method for issuing bills of sale in an alternate embodiment of the present invention;

FIGURE 5 is a flow chart illustrating a method for selling and purchasing products and services according to one aspect of the present invention;

15       FIGURE 6 is a functional block diagram of a facilitator server in communication with a buyer and a seller through a communication network according to one embodiment of the present invention;

FIGURE 7 is a table illustrating customer lists stored within the storage device of the FS according to one embodiment of the invention;

FIGURE 8 is a functional block diagram of an FS 800 coupled to communicate with a buyer, a buyer's bank, a seller, and a facilitator's bank;

20       FIGURE 9 is a functional block diagram of an FS coupled to communicate with a buyer and a seller over a communication network to facilitate a purchase transaction according to a preferred embodiment of the invention;

FIGURE 10 is a flow chart illustrating a method for generating product lists and for facilitating a transaction according to one embodiment of the present invention; and

25       FIGURE 11 is a flow chart illustrating a method for selecting what products are to be generated on a product list for a respective buyer according to one embodiment of the present invention.

### DETAILED DESCRIPTION OF THE DRAWINGS

30       FIGURE 1 is a functional block diagram illustrating a network that includes an interactive transaction facilitator server coupled to a plurality of buyers and to a seller according to one embodiment of the present invention. The network 100 shown in FIGURE 1 includes a plurality of common networks coupled to connect an FS 104 to a seller terminal 108 and to a plurality of buyer terminals including terminal 112 and 116. As may be seen,

buyer terminal 112 is formed of a laptop computer having a wireless transceiver while buyer terminal 116 is a cellular mobile station. Both buyer terminal 112 and buyer terminal 116 transmit and receive cellular communication signals with wireless network 120. Wireless network 120, in turn, is coupled to communicate with FS 104 through an Internet 124 and with seller terminal 108 through a modem utilizing a public switched telephone network (PSTN) 128. It should be understood that the network of FIGURE 1 is exemplary and that any one of the terminals including the seller terminal or buyer terminals or even the FS may be coupled to exchange communication signals with each other through differing equipment and different network paths including wireless equipment and paths. For example, FS 104 may readily be connected to communicate through PSTN 128. Similarly, each of the buyer terminals 112 and 116 may readily be replaced with user terminals that are coupled either directly to the Internet 124, or to the PSTN 128.

In operation, FS 104 is operable to display product lists for selection by the buyers utilizing the buyer terminals 112 and 116. The product lists that are displayed by FS 104 may be entered manually or may be received electronically from seller terminal 108. Thus, for example, if seller terminal 108 establishes a connection through the Internet 124 and PSTN 128 to FS 104, the seller at seller terminal 108 can select options given by FS 104 that enable seller terminal 108 to upload product information. The product information that is uploaded may include digital pictures of the products, product names, pricing information and information about the manufacturer of the product. Additionally, if seller terminal 108 is one that belongs to a distributor, for example, then the information produced to FS 104 by seller terminal 108 may include the name of the distributor.

In general, FS 104 produces, in the described embodiment, a plurality of display signals for interacting with terminal software on a portable or desktop computer terminal for generating a graphical user interface (GUI) screen that allows a user logging into FS 104 through Internet 124 to make selections and to enter information according to the purpose for which the user has logged into FS 104. In an alternate embodiment, the FS can generate any type of signal that interacts with terminal software to create an auditory or visual information delivery method for perception by a user.

Whenever a user terminal, for example, buyer terminal 112, logs into FS 104 and selects options from the displayed GUI screen that indicate that it desires to see a product list, FS terminal 104 produces the requested products list. As will be explained with greater detail later, the product lists that are displayed may vary according to the user ID of the

buyer operating buyer terminal 112. For example, if the buyer belongs to a purchasing organization, the product list displayed by FS 104 may include discounted prices that are available only to such buyers. Alternatively, in another embodiment of the invention, the displayed prices that correspond to the requested product list are a function of the buyer's credit rating established either from information received from a credit bureau or from a history of doing business with the FS. For example, buyers that have a history of making prompt payments for their purchases may be given a discounted price.

As another aspect of the present invention, FS 104 is operable to set up the equivalent of a private chat room between seller terminal 108 and buyer terminal 112 for the two parties to negotiate prior to reaching a purchase agreement. More specifically, FS 104 is operable to produce a graphical user interface (GUI) screen including a message window to seller terminal 108. The GUI screen includes, at a minimum, a transaction number and identification of the product in which the buyer utilizing buyer terminal 112 is interested in purchasing, and text that reflects text entered by the buyer at buyer terminal 112. FS 104 also is operable to produce GUI screens to buyer terminal 112 that also identify the transaction number and the product being discussed as well as any text messages received from seller terminal 108. Accordingly, if buyer terminal offers to pay a first price for a given device, then the offer is transmitted to seller terminal 108. The seller's response is transmitted from terminal 108 and is subsequently received by FS 104 through the Internet 124 and PSTN 128. Thereafter, FS 104 creates a GUI screen for seller terminal 112 and transmits the same through Internet 124 and wireless network 120 for delivery to wireless terminal 112. The operation of Internet 124 and wireless network 120 are well known in the art and shall not be described further herein.

One piece of information that may be optionally included in the GUI screens produced by FS 104 is the name of the buyer or seller. Whether the buyer or seller name is produced to the other party within the GUI screen is a function of whether the buyer and/or seller have selected to remain anonymous.

As another aspect of the present invention, FS 104 is operable to issue a credit to buyer 112 to pay for the device being purchased by the buyer. As such, upon the completion of a sale transaction, FS 104 is operable to initiate a payment process so that the seller of seller terminal 108 may receive payment for the device immediately. FS 104 also is operable to, as a part of this aspect of the invention, generate and transmit a bill to the buyer at buyer terminal 112.

The facilitator at FS 104 cannot issue credit and a bill of sale for all buyers without taking undue risk to not being repaid by the buyer. Accordingly, in one embodiment of the invention, FS 104 is formed to maintain credit histories and financial application information from the various buyers prior to a purchasing session. Thus, whether FS 104 issues an a credit based upon the buyer's credit is a function of the buyer's credit history, the buyer's credit rating, and the amount of the purchase.

As another aspect of the invention, the FS 104 also maintains a seller list that ranks sellers in terms of customer satisfaction and quality service. When a seller logs into FS 104, FS 104 determines whether the seller is known, and if not, obtains background information about the seller. This enables the facilitator to determine a rating category for the seller. A more detailed explanation of the transactions that are performed by FS 104 is described in relation to subsequent figures in this application.

FIGURE 2 is a flow chart illustrating a method for issuing credit and bills of sale according to one embodiment of the inventive method. Referring now to FIGURE 2, a FS initially examines the ID of a buyer that has logged into the FS through a communication network (step 204). The buyer's ID may be an ID that is automatically received through the log-in process, such as a user name or it may be an ID that was specifically assigned to the buyer by the facilitator operating the FS 104. For example, the ID may be one that was entered in response to a screen prompt.

Thereafter, the FS displays a product list (step 208). In the preferred embodiment of the invention, the FS maintains a plurality of product lists. Accordingly, the product list that is displayed for a given buyer that has logged into the FS is a function of any groups to which the buyer belongs or a function of the buyer's credit rating or even its purchase history with respect to transactions made by way of FS 104. For example, a repeat customer that has purchased a defined volume or value of product in the past may be given a product list having discounted prices.

If the purchaser finds a product that he or she wishes to purchase from the displayed product list, he or she generates a purchase request. Accordingly, the next step in the inventive method is to receive the purchase request (step 212). Typically, the FS will generate a graphical user interface (GUI) screen to display product selections and to receive the buyer's purchase request. Approximately at the same time, the FS examines the buyer's credit rating or rating assigned by the facilitator operator of the FS (step 216). While one presently preferred embodiment of the invention includes using the buyer credit rating, any

rating form desired by the facilitator may be used. For example, a buyer's rating may be strictly a function of his type or place of employment.

As indicated before, at a minimum, the buyer's rating will affect the value of any purchase transaction that is allowed to take place. Additionally, and in some embodiments  
5 of the invention, the buyer's rating also affects what product lists the buyer is allowed to see. One concept herein, is that the buyer is given different product lists, or alternatively, the same product list with different prices according to his purchase history and to his credit rating. Thus, those customers with purchasing habits that the FS wishes to reward may be given discounted prices.

10 In some embodiments of the invention, the buyer's credit rating or facilitator assigned rating does not affect the product list from which the buyer may choose a product. Alternatively, the buyer's rating is used to determine whether a facilitator issued credit and a bill of sale may be issued for the purchase transaction. Thus, the FS determines whether the buyer's credit rating is above a standard facilitator defined threshold (step 220). If the  
15 buyer's credit rating is above a standard facilitator defined threshold, then the FS issues a bill of sale with credit provided by the facilitator (step 224). If the buyer's credit rating is not above a standard facilitator defined threshold, however, the FS requests payment from the buyer (step 228). Once payment is received (step 232) the FS issues a bill of sale (step 236) based upon the guarantee of payment by the buyers credit card company or financing  
20 institution.

The use of facilitator generated credit and bills of sale allow the seller to be paid immediately by the facilitator when the buyer makes a purchase selection. Thus, the FS must collect payment from the buyer according to payment terms agreed to between the buyer and the facilitator. For example, if the buyer's credit rating was above a standard  
25 facilitator defined threshold, then the buyer might be given thirty (30) days to repay the facilitator. Alternatively, if the buyer's credit rating was below the standard facilitator defined threshold, then the facilitator seeks payment from a buyer's credit card company whose account information was obtained by the facilitator in step 228 or by direct payment from the buyer by other means such as a check.. As may be seen from the above  
30 description, the above transaction is truly a three party transaction if banking institutions are not included. Not only is there the traditional buyer and seller, but also the facilitator that facilitates the transaction. In addition, in some purchase situations, as described herein, a fourth party, namely the buyer's credit card company is involved in the transaction.

Additionally, behind the scenes, the facilitator's banking institution also is a part of the transaction in that it supplies the funds, in some situations, that the facilitator uses to issue the credit and bills of sale for those buyers whose credit rating was above the standard facilitator defined threshold. Thus, in some situations, up to five different parties are  
5 involved in the transaction.

FIGURE 3 is a flow chart illustrating an alternate preferred embodiment of a method for issuing credit and bills of sale. Referring now to FIGURE 3, a FS examines a buyer's ID and credit rating once a buyer has logged into the FS through a communication network (step 304). Thereafter, the FS displays a product list for a selected product or product  
10 category (step 308). As before, the product list may be one of a plurality of product lists whose selection is a function of the buyer's ID and/or credit rating. Thereafter, the FS receives a purchase request for a specific item (step 312).

After receiving the buyer's purchase request, the FS determines the identity of the party selling the selected product and determines the seller's credit requirements for buyers  
15 (step 316). For this embodiment of the invention, sellers whose products are to be displayed are asked to specify, beforehand, a minimum credit rating or purchase history rating for sales transactions that are to be funded with a bill of sale. Thus, the next step is determining whether the seller's credit requirements for the buyer are satisfied (step 320). For example, the FS either obtains a credit report for the buyer or it examines the contents of a database  
20 within an internal storage device that includes a list of buyers and corresponding credit ratings.

If the seller's credit requirements are satisfied, then the FS transmits a signal to the buyer's terminal to offer the buyer a facilitator's credit from which a bill of sale may issue (step 324). As before, the credit is actually issued by the facilitator and is used to pay for  
25 the product being purchased. Accordingly, the next step is to determine whether the buyer has accepted the offer to use a facilitator's credit to pay for the product (step 328). If the offer is accepted, then the FS issues a bill of sale (step 332). If the offer made in step 328 is not accepted, or if the seller's credit requirements are not satisfied, as determined in step 320, then the FS requests payment from the buyer (step 336). For example, the FS may  
30 generate a signal to the buyer's terminal asking the buyer to provide credit card account information. Upon receiving the credit card account information, the FS processes a payment request, and more specifically, a purchase authorization request to the buyer's credit card company. Once the credit card company approves the transaction, the payment

is considered as being received (step 340). Thereafter, or after the offer to use a facilitator's credit to pay for the selected product is accepted, the FS issues a bill of sale (step 332). After the credit is issued, both the buyer and the seller are informed that a deal has been completed (step 336).

5           One advantage of the method of FIGURE 3 is that it serves to shift the risk of the purchase transaction to the seller. Thus, the system is one that is made to receive seller specified credit requirements and to only issue facilitator's credit to fund the sale transaction for those buyers whose purchase request falls within an amount allowed for buyers having credit ratings similar to that of the particular buyer making this transaction. Thus, by having  
10           a system that is responsive to seller requirements, the facilitator operating the FS may attempt to shift the liability for the purchase transaction to the seller. Thus, after a bill of sale has been issued, and the FS generates payment to the seller, the seller is liable to refund that payment if the buyer defaults in making payment to the facilitator.

          FIGURE 4 is a flow chart illustrating a method for issuing bills of sale in an  
15           alternate embodiment of the present invention. Referring now to FIGURE 4, a buyer logs in and transmits buyer information from the buyer terminal to the FS. The FS, therefore, receives the buyer information (step 404). In addition to receiving the buyer information, the FS also receives a buyer confidentiality selection (step 408). The buyer confidentiality selection is one that reflects that the buyer wishes to remain anonymous from potential  
20           sellers, at least for the time being. The buyer confidentiality selection, in the preferred embodiment of the invention, is one that is made by selecting an object displayed on a graphical user interface display screen.

          In addition to receiving the buyer confidentiality selection, the FS receives a signal requesting a chat window from a buyer. In one embodiment of the invention, the "Chat  
25           windows" are a form of an interactive conversational service that is frequently available by Internet service providers and/or particular web sites and web servers. Interactive conversational services allow different users to communicate with each other in real time through the computer network. Thus, in a conventional session, one party submits a request for conversation. The FS, upon receiving the request for conversation, alerts other parties  
30           about the "incoming call." Once a communication link has been established between the two parties, they are allowed to exchange messages in return. Unlike a routine telephone system, wherein the parties are directly coupled to each other, the system here is different. First, each party in the chat room environment transmits its messages within the chat



window to the FS. The FS, in turn, extracts select portions of the received text and produces that to the other party. Thus, if in our example, the buyer had indicated that he or she wished to keep his or her identity confidential, then the chat windows produced to the other party would not include the identity of the other party. Similarly, however, these “chat sessions are not required to be interactive. In some embodiments of the invention, each party may leave a message for the other and may respond to each other in an asynchronous type of negotiation. By analogy, one may compare the asynchronous conversations to the chess tournaments held between competitors in different locations. Each competitor merely transmits a message to the other to inform the other of a selected move. In time, the other then responds.

The next step of the invention includes receiving chat window text and an indication of a product that the buyer would like to purchase from the buyer’s terminal (step 412). Thereafter, the FS assigns a transaction number to the posting for use by the buyer and seller (step 416). Thus, if either party or both parties choose to remain anonymous, the transaction number assigned may be used to identify the specific transaction for billing, tracking and other purposes. Thereafter, the FS posts the product selection of the buyer and any text received from the buyer for display by a plurality of different sellers (step 420). The displayed chat window is the equivalent of an advertisement or posting inviting a seller to respond to negotiate a purchase transaction. It is understood, of course, that the term “posting” includes transmitting the buyer’s item selection and text in a screen to a plurality of different sellers that are logged into the system. The posting includes displaying buyer identity information if allowed (step 424). Otherwise, the buyer information is not transmitted as part of the posting. Thereafter, if a seller receives to the buyer’s posting, it receives a response from a seller and transmits the seller response to the buyer (step 428). More specifically, since the posting is in the form of a GUI screen, the seller responds in a text window to indicate his or her willingness to negotiate the purchase transaction and/or to provide any requested information by the buyer. The exchange between the buyer and seller thus continues to proceed as indicated above wherein each party transmits a response in the GUI screen that is received by the server facilitator and then transmitted to the other party. As a part of this, while not explicitly shown in FIGURE 4, it is understood that the seller also may make a confidentiality selection to either reveal or hide the seller identity. Once the parties have agreed to the transaction terms, the next step of the invention includes receiving a signal from the buyer indicating that the buyer wishes to make a purchase. Thus,

once the server facilitator receives a purchase order from the buyer, it stores the product information and the chat window text that reflects the price of the product or service being purchased by the buyer. This information is stored in relation to the transaction number that was assigned in step 414. After the FS receives the purchase order from the buyer, it

5 transmits a GUI screen to the buyer terminal indicating the purchase options (step 436). For example, the purchase options may include purchasing the product or service with a facilitator's credit or allowing the buyer to finance the transaction by purchasing it with a credit card. Once the buyer has made a selection, the invention includes transmitting a payment to the seller along with purchase information and any particular mailing

10 instructions identified either in this transaction by the buyer or identified in a buyer profile (step 440).

FIGURE 5 is a flow chart illustrating a method for selling and purchasing products and services according to one aspect of the present invention. Referring now to FIGURE 5, the inventive system includes a method and apparatus that enables either a buyer or a seller,

15 hereinafter, an initiator, to create a posting that may be compared to a want ad within a newspaper. The inventive method, therefore, includes receiving a signal from an initiator terminal indicating that the initiator desires to create a posting specifying that the initiator wishes to purchase or sell either a product or service. Thus, the first step of the inventive method is to create a posting for the initiator with an identifier (step 504). As a part of

20 creating the posting for the initiator, the initiator's identity is initially kept anonymous until the initiator generates a signal from the initiator terminal to the FS indicating that the initiator identity is to be revealed.

It is envisioned that a given electronic location such as a web site or future form of electronic presence operated by the FS will have a large plurality of postings at any one

25 time. Moreover, each posting may be analogously compared to a large plurality of chat windows, also known as interactive screens, inviting prospects to engage in a negotiation for a transaction.

Thus, the next step involves receiving a channel request from a prospect that is responding to a posting (step 508). As with the posting for the initiator, the prospect

30 identity is, by default, kept anonymous until the prospect actively selects to reveal his or her identity. Thus, at any time through the process, if either the prospect or the initiator select to reveal their identity, the invention includes receiving the confidentiality selection from either the prospect or initiator indicating that the respective party is no longer to remain

anonymous (step 512). Thereafter, the inventive method includes sending a modified GUI screen to the other party to reflect the identity of the party that generated the confidentiality selection signal (step 516). Step 516 is optional to the extent that it is only performed if a confidentiality selection signal was generated and received by the FS in step 516.

5       As the initiator and prospect text messages are received from the prospect and initiator, respectively, the text from those messages is transmitted to the other party (step 520). The screen that is created for the other party includes the identity and transmitted information if allowed (step 524). The FS continues to receive and transmit initiator and prospect text messages until either one of the initiator or prospect terminates the negotiations or the server facilitator receives indications from the prospect and initiator that  
10       contractual agreement to the material terms of the purchase transaction have been agreed to (step 528). In the preferred embodiment of the invention, the GUI screens produced to both the prospect and initiator have a button for selecting with a mouse pointer to indicate agreement. Thus, once the FS receives an indication that the agreement buttons have been  
15       selected by both the prospect and the initiator, the FS stores the communications to record the text messages that define the material terms of the agreement and to store the indication that the agreement buttons have been selected by both parties (step 532). Thereafter, in the preferred embodiment of the invention, the posting is either removed or is shown to be no longer available (step 536). Finally, as an optional step, the FS identifies each party to the  
20       other if the identities have not been previously revealed (step 540). For those embodiments where the optional step is not performed, each party is given directions by the FS to inform it of what steps it needs to take to complete the transaction. By way of example, the FS may issue payment to the seller with instructions for the seller to mail the product, if appropriate, to a specified address. Similarly, the invention would include sending a message to the  
25       buyer that it must make a payment to the facilitator.

FIGURE 6 is a functional block diagram of a facilitator server in communication with a buyer and a seller through a communication network according to one embodiment of the present invention. Referring now to FIGURE 6, a FS 600 is coupled to communicate with a buyer terminal 604 and a seller terminal 608 through communication network 612.  
30       FS 600 includes a processor 616, a memory 620 and a storage device 624 coupled to communicate with each other through an internal bus 628. Processor 616 is also coupled to transceive communication signals through a bus controller 632 and through one of a plurality of transceivers 636 that are for enabling the FS to communicate with external

devices. As may be seen, transceiver 636A is coupled to communicate with external terminals through communication network 612 while transceiver 636B is coupled to exchange communication signals from a user terminal 640. User terminal 640 is for monitoring the contents of the information within FS 600 and for issuing control and mode commands to the FS 600. The communication network 612 is similar to the network 100 of FIGURE 1. It should be noted that the bus controller 632 exists in the described embodiment as a common and known data transport medium within the server. As technologies evolve, other system designs and architectures may be substituted wherein the data transport medium is one that enables a processor to receive and transmit data and control signals internally to the various system components including storage devices and data ports for communicating with external systems.

Storage 624 comprises storage medium formed of common storage devices including disk drives, and other devices for permanent storage of information and computer instructions. As new forms and approaches evolve for storing information and computer instructions on a permanent basis, those new forms and approaches are envisioned and included herein for the purposes of the invention. For example, optical storage devices and remote storage devices are included herein. In general, storage device 624 in the described embodiment is for storing product lists, buyer information, seller information, and system operating instructions and logic. Memory 620 is for storing information and computer instructions on a temporary basis for execution by processor 616. Processor 616 may be formed of an application specific integrated circuit (ASIC) chip or a standard processing unit and to be programmed and executed in known manners.

In operation, processor 616 executes computer instructions stored within storage device 624 to transmit and receive GUI screens containing specified information fields and objects according to the logic defined by the computer instructions therein. When an initiator, for example, buyer 604 logs into FS 600 through communication network 612, it communicates with server facilitator to create a posting or to search product lists stored within storage device 624. In general, whenever buyer 604 logs into FS 600, FS 600 transmits information signals 644 through communication network 612 to a buyer terminal of buyer 604. Buyer 604's entered responses, thereafter, are transmitted back to FS 600 over the same communication networks. As the transactions herein are three party transactions, the system of FIGURE 2 also illustrates a seller 608 that also communicates through communication network 612 with FS 600. FS 600 and seller 608 exchange

communication signal 648 which include the GUI screens and responses thereto as described elsewhere in this application. Additionally, while the diagram of FIGURE 2 merely shows one communication network 612, it is understood that the buyer 604 and the seller 608 may be coupled to communicate through different portions of the communication network 612 employing different types of communication protocols. By way of example, seller 608 might be coupled directly to an Internet while buyer 604 is coupled to an Internet either through the PSTN or through a wireless network or both. Eventually however, a communication path link is created between the buyer 604 and server facilitator 600 and the seller 608 and FS 600.

FIGURE 7 is a table illustrating customer lists stored within the storage device of the FS according to one embodiment of the invention. Referring now to FIGURE 7, the table shown generally at 700 includes five (5) columns for storing name (702), customer rating (704), volume/flow rate (706), account balance (708), and account type (710). These five (5) types of information are logged for all of the customers that have signed up with the FS for purchasing items through the facilitator from the various sellers. For example, the seller KKH listed on the row shown generally at 712 has a rating of A1, an average volume/flow rate of X1 and account balance of Y1 and is listed as being a preferred customer in the account type field. The customer shown in row 714, namely, MKK has an A4 rating, a volume/flow rate of X7, and account balance of Y99 and has a standard account. Whether a customer is listed under account type as preferred or standard or another category can be determined by the facilitator according to any one or more of the following factors: average time before a balance is paid, credit rating, whether dues have been paid to belong to a preferred customer plan, and other indicia of reliability. The table of FIGURE 7 further illustrates the customer in row 716 named WEP whose account balance is zero and is a preferred customer similar to customer KKH of row 712.

FIGURE 8 is a functional block diagram of an FS 800 coupled to communicate with a buyer, a buyer's bank, a seller, and a facilitator's bank. As may be seen, the FS includes within its internal storage device information to create two products pages. Namely, it can create a product page for preferred customers as indicated at 804 and a product page for standard customers as shown at 808. In operation therefore, the FS receives product information 812 from a plurality of sellers to create the products pages. As a part of the product information that it receives, it receives pricing information that may or may not correlate exactly to the price list on the various product pages. Additionally, the product

information received from the seller may specify either specific customers or customer organizations that are to be shown the product page for preferred customers. The FS also is coupled to communicate with a plurality of different buyer terminals and to transmit the product pages to the buyers and to receive responses therefrom. While not explicitly shown, 5 FS 800 also includes computer instructions for creating an interactive conversational display, or chat room, to enable the buyer and seller to negotiate the terms of the purchase agreement.

Continuing to refer to FIGURE 8, it may be seen that FS also is coupled to communicate with a plurality of financial institutions including what is listed as the buyer's 10 bank, which may also be the buyer's credit card company and to a facilitator's bank. If the FS issues a facilitator's credit for the purchase being made by the buyer of the seller's product, then the FS is operable to generate a payment to be delivered to the seller funded by funds supplied by the facilitator's bank. On the other hand, if the buyer does not receive a facilitator's credit, but instead is responsible himself for funding the transaction, then the FS 15 is operable to communicate with the corresponding buyer's bank for the credit card account number provided by the buyer.

FIGURE 9 is a functional block diagram of an FS coupled to communicate with a buyer and a seller over a communication network to facilitate a purchase transaction according to a preferred embodiment of the invention. The system shown generally at 900 20 includes a FS 904 that transmits display signals from which terminal software generates GUI pages to a buyer 908 and a seller 912 and to a buyer's bank 916 and a seller's bank 920 through a communication network 924. Additionally, the FS communicates with the facilitator's bank 928 to finance any the product or service being purchased from the seller. While the described embodiment includes a FS that generates display signals for prompting 25 a remote terminal to generate a GUI screen, it is understood that the critical aspect of the transmitted information is the content of the messages that are to be displayed at the user terminal. If the user terminal is a different type of device, for instance, the signals being transmitted are communication signals that include the desired content in a form that enables the remote terminal to produce the data for perception by the user.

30 Along these lines, and with the quick network evolution that is taking place, future systems may include little more than the transmission of packetized data to terminals of all types wherein the terminal extracts the data and converts it to a form that corresponds to the terminal capabilities.

The exemplary circuitry within FS 904 includes a plurality of different modules required to facilitate purchase transactions according to the present invention. It is understood that the modules are logical entities created by either the execution by the processor of the computer instructions stored within a storage device or are created by logic circuitry.

A vendor requirement module (928) defines logic for generating GUI screens to receive on-line applications for selling products or services through the FS. The vendor requirement module (928) supplies the information that is provided to a communication module 952 to prompt the seller applicant to provide the desired information. The communication module 952, in turn, generates display signals that cause the receiving terminal to create the GUI screen that includes questions and information for the seller applicant. In addition to background information about the seller and the list of products and prices that the seller wishes to receive for the products, the vendor requirements module (928) includes logic for prompting the seller to specify, in one embodiment of the invention, credit rating requirements of a prospective buyer for whom the FS is allowed to issue a seller guaranteed facilitator bill of sale. For example, a seller might specify a credit rating determined by a credit bureau or, alternatively, a payment history for purchases made through the FS having defined characteristics including prompt payment, certain defined debt-to-income ratios or a certain amount of liquid cash within a bank account.

A credit module (932) includes logic for determining buyer credit ratings. By way of example, credit module (932) is formed to be able to electronically request and receive standard credit agency credit ratings for a prospective buyer or list of prospective buyers. In addition, credit module (932) is formed to maintain a transaction history for the buyers that repeatedly use the FS to develop an internal credit rating based on payment history, number of returns, bank balances, etc.

A buyer manager module (936) logic for communicating with a buyer terminal the first time that a buyer logs into the FS to receive an application to purchase products through the FS. For example, the module is formed to prompt a buyer applicant to supply financial information, contact information and other information that might be deemed necessary to quality a buyer to be placed on an approved buyer list.

Once the information is received, the buyer manager module (936) creates a list of approved buyers for future transactions. For those embodiments in which there are different classes of buyers, for example, preferred and standard, it is the buyer manager module 936

that determines what list is appropriate for a specified buyer. For example, a default setting might be that a buyer is placed on the standard list until either the buyer pays a surcharge to be placed on the preferred buyer list or, alternatively, supplies specified criteria that enable it to be placed on the preferred buyer list. For example, buyers that are willing to commit to purchasing a certain volume of products or services through the FS or who have, in fact, purchased a certain volume of products or services may be placed on the preferred buyer list.

A product display module (940) includes computer instructions that define logic for displaying products, information about the products, and any images for display that represent the appearance of the product or an advertisement for a service. Product display module 940 not only maintains a list of products, but also maintains a record of the different prices for a product according to the different buyer categories.

A privacy process module (944) includes computer instructions that define the logic for maintaining party anonymity until the parties authorize their identities to be revealed. Thus, for example, in a preferred embodiment of the invention, privacy process module 944 tracks all transactions according to a transaction number assigned to every transaction. Thus, for every transaction, a buyer from the approved buyer list and a seller from the approved seller list are associated with each transaction number. Whether the identities of the parties are displayed to the other party is a function of whether the party has selected, on his GUI screen, a button, in the preferred embodiment, to indicate that the identity may be revealed.

Stated differently, the system operates in a private mode of operation until the buyer or seller makes a selection to indicate that the private mode of operation is no longer necessary. A sale certificate process module, module 948, includes computer instructions that define the logic for coordinating the transaction according the functionality defined within each of the aforementioned modules. Additionally, the sale certification process module 948 is operable to create the interactive conversational service to enable a buyer to negotiate a purchase transaction with a seller.

For example, if a buyer requests a certain type of product, sale certification process module 948 is operable to prompt the product display module 940 to generate a corresponding product list. Additionally, for those embodiments that include the interactive conversational service feature, a/k/a the chat room, the sale certification process module 948 is operable to generate a signal to all the buyers listed within the buyer list to determine if



any are interested in entering into a negotiation with the prospective buyer through a chat room. Thus, the prospective buyer has the option of purchasing a product at the listed price and, if a seller responds, to negotiate for a lower price or to request specific information about the product before finalizing a purchase transaction.

5           Finally, communication module 952 is operable to generate signals that cause a remote terminal to create GUI screen displays for viewing by the buyer and the seller according to information generated and collected by the sales certification process module 948 and/or the other modules within FS 904. As stated above, the transmission of display signals by the communication module 952 is exemplary. Other types of communication  
10 signals may be used. In general, the communication signals are formed to include specific information that is to be delivered to the user at a remote terminal in any perceivable manner according to terminal capability.

          In addition to these functions, the sale certification process module 948 includes logic for issuing facilitator credit to facilitate a sale transaction, wherein, once a transaction  
15 is agreed to, payment and shipping instructions are immediately dispatched to the seller and a confirmation and bill are immediately transmitted to the buyer. Alternatively, if facilitator credit is not issued, based solely on the buyer's credit, the sale certification process module is operable to receive credit card information from the buyer prior to generating a facilitator credit and a bill of sale and prior to transmitting payment and mailing instructions to the  
20 seller.

          In this scenario, the sale certification process module 948 also is operable to communicate with a buyer's bank 916 to obtain approval for the pending transaction. Thereafter, a bill is generated to the buyer's bank for later payment. Thus, as may be seen, in either scenario, the seller is paid immediately by the facilitator through payment request  
25 generated by the FS wherein the facilitator receives a payment from the buyer's bank 916 or the buyer 908 at a later time. In one embodiment of the invention, the FS generates a payment directly to the seller's bank 920 wherein the seller's account information was previously received when the seller applicant applied to sell products or services through the FS.

30           Finally, for those transactions that are actually financed by the FS, the sale certification process module 948 is operable to communicate with the facilitator's bank 928, to fund the transactions. Thus, for example, the FS may generate a payment request that is transmitted to the facilitator bank 928 authorizing the facilitator's bank to transmit a

payment or generate a payment to the seller's bank 920.

FIGURE 10 is a flow chart illustrating a method for generating product lists and for facilitating a transaction according to one embodiment of the present invention. First, a seller logs in to request product list hosting (step 1004). This step refers to the first time that a seller logs into a FS to indicate a willingness to have his products or services ("products") posted by the FS or a time that a seller logs in to upload a new product list. The FS then examines the seller ID in relation to a list of known or approved merchants (step 1008). After examining at least a partial list of known or approved merchants, the FS determines whether the seller is on the list (step 1010). If the seller applicant is on the list of approved or known merchants, it prompts the seller applicant to upload the product list(s) and any buyer requirements for issuance of seller backed facilitator credit and a bill of sale (step 1012). For some sellers, it is anticipated that the sellers will require the facilitator to determine whether to issue credit and under what conditions they may be issued. For other sellers, however, it is anticipated that the seller will be willing to specify the conditions under which the facilitator may issue the credit and a bill of sale. In this second condition, it is the seller that accepts the risk of buyer default.

If the seller applicant is not on the list of approved merchants or a known merchant, a flag is generated for review by the facilitator to determine whether to approve the seller applicant for listing his products through the FS. If approved, the seller applicant is then prompted to upload his product list (step 1012). The product list(s) and buyer requirements (if any) are then uploaded (step 1016).

The list of approved known merchants, by way of example, can be a list generated by any one of several different business tracking services. For example, any seller listed as a Fortune 500 company might be automatically approved. Additionally, any major product merchant within a given geographic location listed by a local Better Business Bureau might be automatically approved as well. Additionally, any list of approved merchants previously entered by the facilitator may be included too.

FIGURE 11 is a flow chart illustrating a method for selecting what products are to be generated on a product list for a respective buyer according to one embodiment of the present invention. First, a buyer logs in and requests a product listing (step 1104). Thereafter, the server facilitator compares the buyer to a list of buyer groups to determine buyer affiliations (step 1108). Optionally, the server facilitator determines the buyer credit rating (step 1112). The FS then generates a list of products according to the buyer credit

rating and to buyer affiliations (step 1116).

For example, some sellers may require that their products only are sold to buyers having a specified credit rating or specified amount of available cash for any seller-backed facilitator issued bills of sale. In other words, if a buyer has a specified amount of available  
5 cash to pay for transactions or a specified credit rating, the seller might be willing to guarantee or absorb the risk for the buyer making payment. In such case, the buyer would be shown a product list with a corresponding price value.

Alternatively, if the buyer does not meet such requirements, then the product list displayed to the buyer might include a second and higher price. Thus, the next step includes  
10 displaying the current product list according to these groupings. Thereafter, the server facilitator asks the buyer if the product selection is adequate or if the buyer would like to post an ad to invite sellers to answer the buyer's questions or to negotiate a price for the desired product (step 1120). If the buyer does desire to post an ad for a product, the FS asks the buyer whether he would like to initially post the ad anonymously (step 1128). Lastly, an  
15 interactive conversational service, or chat room screen, is created and sellers are prompted to respond. If the buyer does want to remain confidential, then the buyer ID is masked or not transmitted within the GUI screen display that serves as a posting (step 1132). If the buyer does not want to remain anonymous, the buyer ID is included in the GUI screen display that serves as a posting (step 1136).

20 Thereafter, the buyer and seller negotiate the transaction until the server facilitator receives an indication that both parties have agreed to a transaction. Thereafter, the server facilitator determines whether the buyer is on a list of approved buyers (step 1140). If the buyer is on an approved list that satisfies facilitator or seller requirements, the FS issues a facilitator credit and a bill of sale (step 1144). If the buyer is not on an approved list, credit  
25 card information or some other guaranteed payment form is obtained from the buyer (step 1148). Thereafter, the parties are informed of the transaction details, a facilitator's certificate is issued to pay the seller immediately and that the transaction is completed (step 1152). For example, payment is issued to the seller along with shipping instructions while a transaction record is sent to the buyer.

30 One aspect of the invention described herein, is that of not only buyers applying to be placed on an approved buyer list, but also sellers being placed on an approved seller list. Similar to there being different categories of buyers, the invention includes or contemplates having different lists of sellers. Thus, the FS may require that every seller generate a signal

to the FS to indicate when it has satisfied its obligations with respect to a specified transaction. More specifically, the seller may be required to generate a signal to the FS indicating when a product was delivered or shipped. Accordingly, the FS also maintains a seller rating based upon known seller performance and upon business ratings developed by organizations that monitor businesses including local Better Business Bureaus. Thus, when a buyer selects a product, or requests a product list, the seller ratings for the various products may be displayed. Alternatively, pertinent information such as average time to ship may be displayed. Accordingly, a buyer is well informed and may form a reasonable expectation for a given seller.

The inventive method and apparatus disclosed herein are particularly advantageous in that they provide a capability for FS to facilitate a transaction wherein sellers are paid immediately for the product they are selling. Additionally, buyers that have large transactions are able to purchase products and services over the Internet even in those circumstances in which a credit card cannot be used. For a buyer that is concerned about minimizing how many merchants have access to his or her credit card account information, the invention herein allows the buyer to involve the facilitator in the purchase transactions wherein the facilitator funds the transaction. By having the facilitator fund the transactions of the buyer, the buyer is relieved from having to distribute his or her credit card account information to every vendor or products or services.

While the invention is susceptible to various modifications and alternative forms, specific embodiments thereof have been shown by way of example in the drawings and detailed description. It should be understood, however, that the drawings and detailed description thereto are not intended to limit the invention to the particular form disclosed, but on the contrary, the invention is to cover all modifications, equivalents and alternatives falling within the spirit and scope of the present invention as defined by the claims. For example, the invention herein includes having the FS generate a bill in the name of the seller but with an indication that the balance due is payable to the facilitator. Alternatively, the seller terminal may generate a bill of sale and transmit it to the buyer and a copy of it to the FS wherein the FS responds by issuing immediate payment to the seller and a notice of assignment to the buyer to inform the buyer that payment is to be made to the facilitator. As may be seen, therefore, the described embodiments may be modified in many different ways without departing from the scope or teachings of the invention.

**Claims:**

1           1.     A method in a FS for issuing credit and a bill of sale to a buyer of a product  
2     or service, comprising:  
3           examining a buyer's ID;  
4           displaying a corresponding product list wherein the corresponding product list is  
5     selected according to one of the buyer's credit rating or whether the buyer is listed on an  
6     approved buyers list;  
7           generating a chat room, if requested by the buyer or the seller, to enable the buyer  
8     and seller to discuss the terms of a transaction;  
9           receiving a purchase request;  
10          issuing credit if the buyer's credit rating is above a defined threshold;  
11          maintaining the anonymity of the buyer until the buyer selects an option on a GUI  
12     screen display to reveal his or her identity;  
13          issuing a bill of sale if the buyer is listed on an approved buyer's list; and  
14          requesting payment and issuing a bill of sale once the payment is received.

1           2.     The method of claim 1 wherein the corresponding products list is one of at  
2     least two lists.

1           3.     The method of claim 2 wherein the at least two lists include the many of the  
2     same products wherein the corresponding prices for at least some of the products on both  
3     lists differ.

1           4.     The method of claim 2 wherein the corresponding list is selected according  
2     to buyer affiliation.

1           5.     The method of claim 2 wherein the corresponding list is selected according  
2     to buyer credit rating.

1           6.     The method of claim 2 wherein the corresponding list is selected according  
2     to buyer purchasing history with respect to a facilitator that operates the FS.

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1           7.     A method in a FS of issuing credit and a bill of sale in a transaction that  
2 includes a buyer, a seller and a facilitator, the method comprising:  
3           receiving a purchase request from the buyer;  
4           examining a credit rating of the buyer;  
5           determining if the seller's credit requirements are satisfied;  
6           if the seller's credit requirements are not satisfied, requesting and receiving credit  
7 card information from the buyer;  
8           issuing a bill of sale to pay for the transaction;  
9           issuing a payment to the seller; and  
10          collecting a payment from one of the buyer or the buyer's credit card company.

1           8.     The method of claim 7 further including the step of offering the buyer the  
2 opportunity to use a facilitator's credit to pay for the product or service being purchased.

1           9.     The method of claim 8 further including the step of asking the buyer to  
2 provide payment information in lieu of accepting the facilitator's credit to pay for the  
3 product or service being purchased.

1           10.    The method of claim 9 further comprising the parties that a three way deal  
2 has been reached and that the transaction is complete.

1           11.    The method of claim 7 further comprising the step of creating an interactive  
2 response window to enable the parties to negotiate transaction terms, the method further  
3 including the step of assigning a transaction number to the any transaction that results from  
4 the negotiation that takes place by way of the interactive response window.

1           12.     A facilitator server (FS), comprising:

2           A storage device for storing computer instructions wherein the computer instructions  
3 include logic for:

4           creating GUI screens to support an interactive response window type of  
5 communications between a buyer and a seller;

6           creating a plurality of product lists;

7           determining which product list is to be displayed for a user;

8           maintaining selective anonymity of buyers and sellers;

9           determining whether to issue a credit for the buyer; and

10          generating a payment to the seller and a bill to one of the buyer and the buyer's  
11 credit card company; and

12          a processor for executing the computer instructions stored with the storage device.

1           13.     The FS of claim 12 further comprising computer instructions that define  
2 logic for creating a list of approved vendors.

1           14.     The FS of claim 12 further comprising computer instructions that define  
2 logic for creating a list of approved buyers.

1           15.     The FS of claim 14 further comprising computer instructions that define  
2 logic for adding buyers to the list once a buyer has engaged in transactions through the FS  
3 and has established a payment history.

1           16.     The FS of claim 14 further comprising computer instructions that define  
2 logic for prompting a buyer to select from a plurality of purchasing choices, the purchasing  
3 choices including a choice to allow the facilitator to finance the transaction and a choice to  
4 pay for the transaction by way of credit card.

1           17.     The FS of claim 12 further comprising computer instructions that define  
2 logic for creating a list of approved sellers according to past transaction history of a  
3 specified seller, wherein the list of approved sellers further includes a plurality of known  
4 national companies and known local companies.

1           18. A server facilitator having a processor and a plurality of computer  
2 instructions that prompt the processor to create a plurality of logical modules, the plurality  
3 of logical modules comprising:

4           a product display module for generating a product list according to a buyer ID;

5           a privacy process module for allowing a buyer and a seller in a transaction to  
6 maintain anonymity;

7           a vendor requirement module for prompting a prospective seller to provide a set of  
8 requirements for buyers to receive a credit and a bill of sale, the module also for maintaining  
9 the vendor requirements for a plurality of vendors; and

10          a sale certificate module for issuing credit and a bill of sale and for paying the seller  
11 and for billing the buyer.

1           19. The server facilitator of claim 18 wherein the sale certificate module also is for  
2 creating an interactive service window ("chat room") to enable a buyer to negotiate a  
3 purchase transaction with a seller.

1           20. A method in an FS for issuing credit and a bill of sale to a buyer of a product  
2 or service from a seller for a transaction occurring voicelessly over a network, comprising:

3           generating a chat room, if a signal is received from the buyer terminal or seller  
4 terminal indicating that a chat room has been requested by the buyer or the seller to enable  
5 the buyer and seller to discuss the terms of a transaction;

6           receiving a signal reflecting a purchase request;

7           issuing credit to the buyer;

8           issuing a bill of sale to the buyer; and

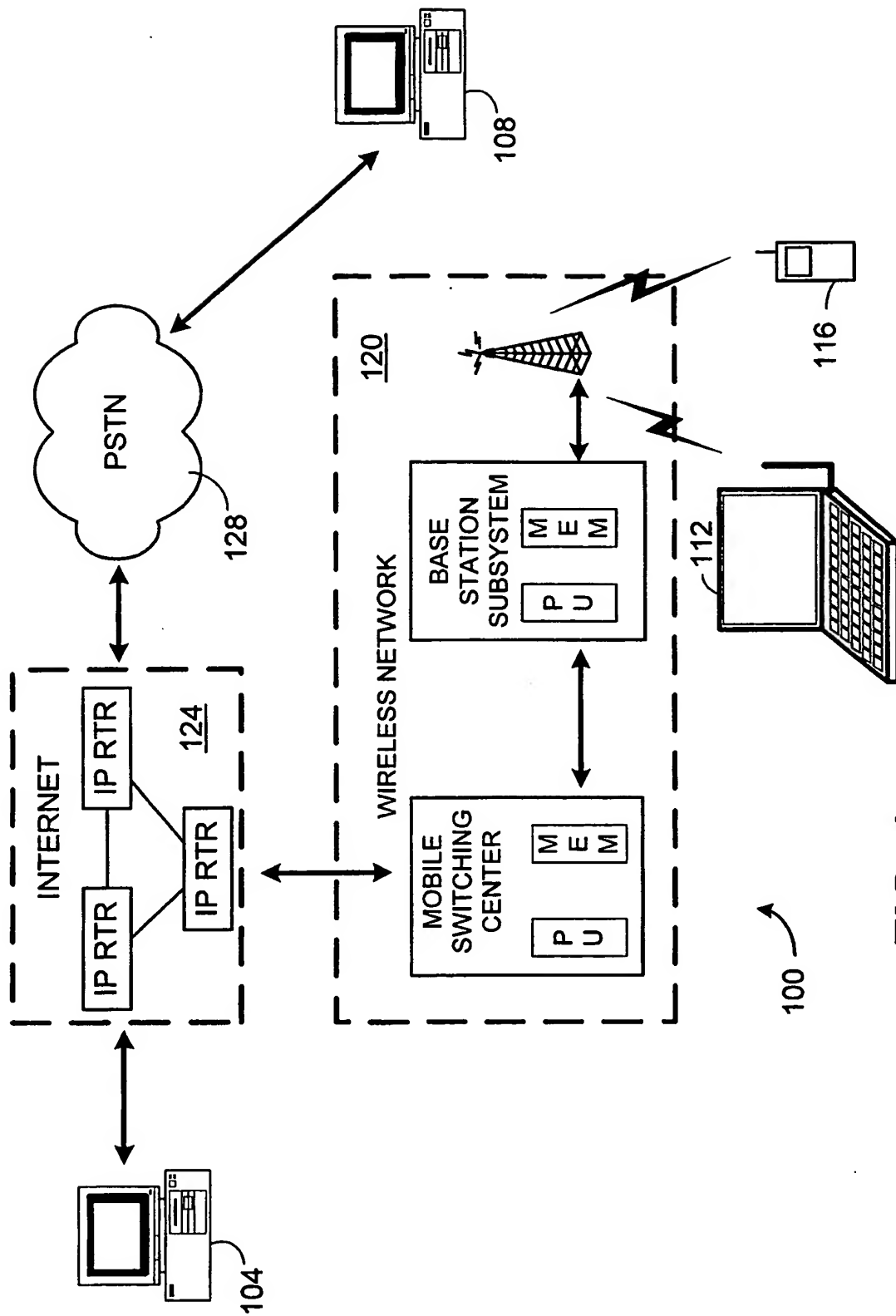
9           generating a payment to the seller if a payment for the selected product has not  
10 already been made by the facilitator as indicated by a value of a stored or received signal.

1           21. The method of claim 20 wherein a products list is displayed, the product list  
2 being one of at least two lists.

1           22. The method of claim 21 wherein the at least two lists include the many of the  
2 same products wherein the corresponding prices for at least some of the products on the at  
3 least two lists differ.

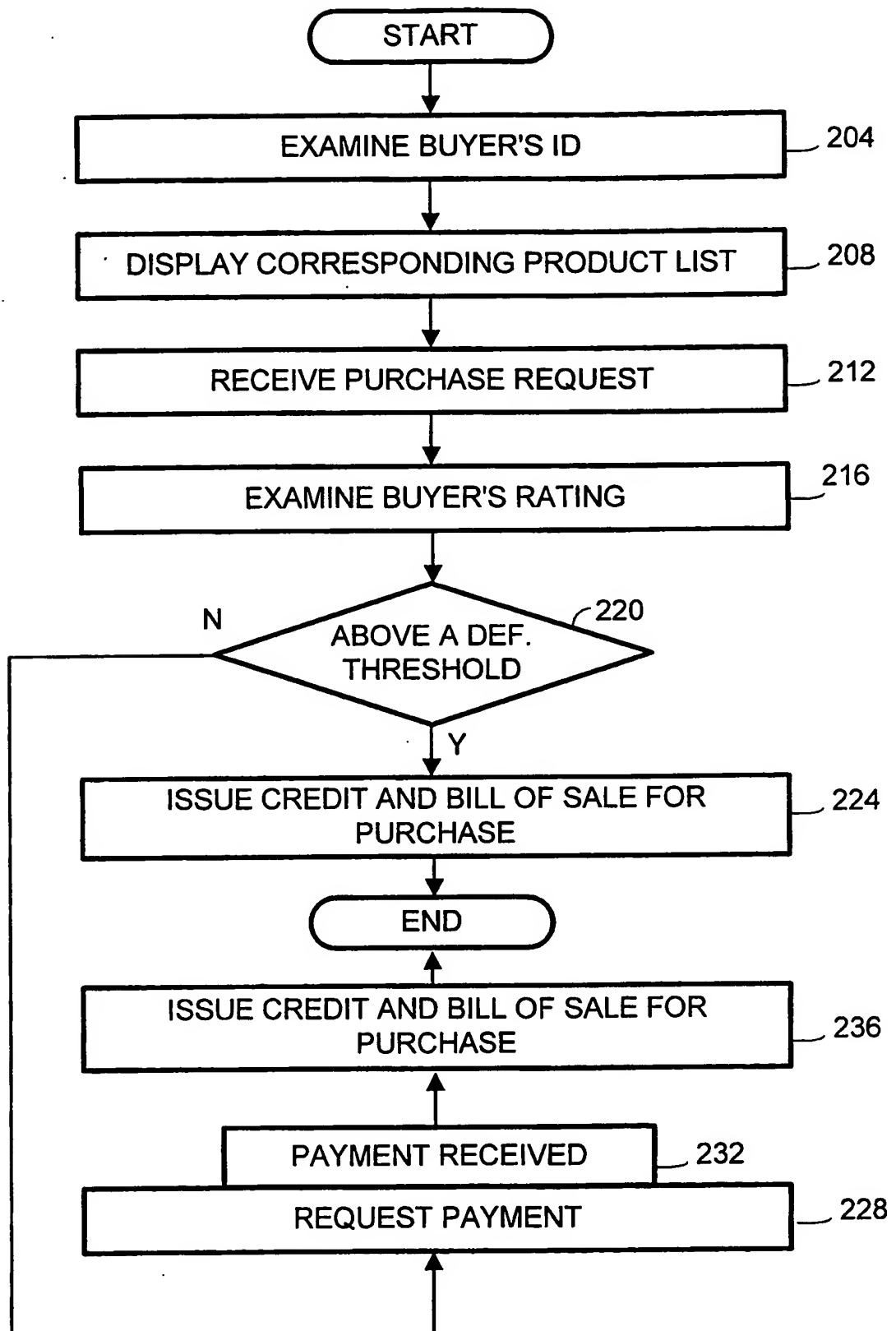


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**FIG. 1**

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**FIG. 2**

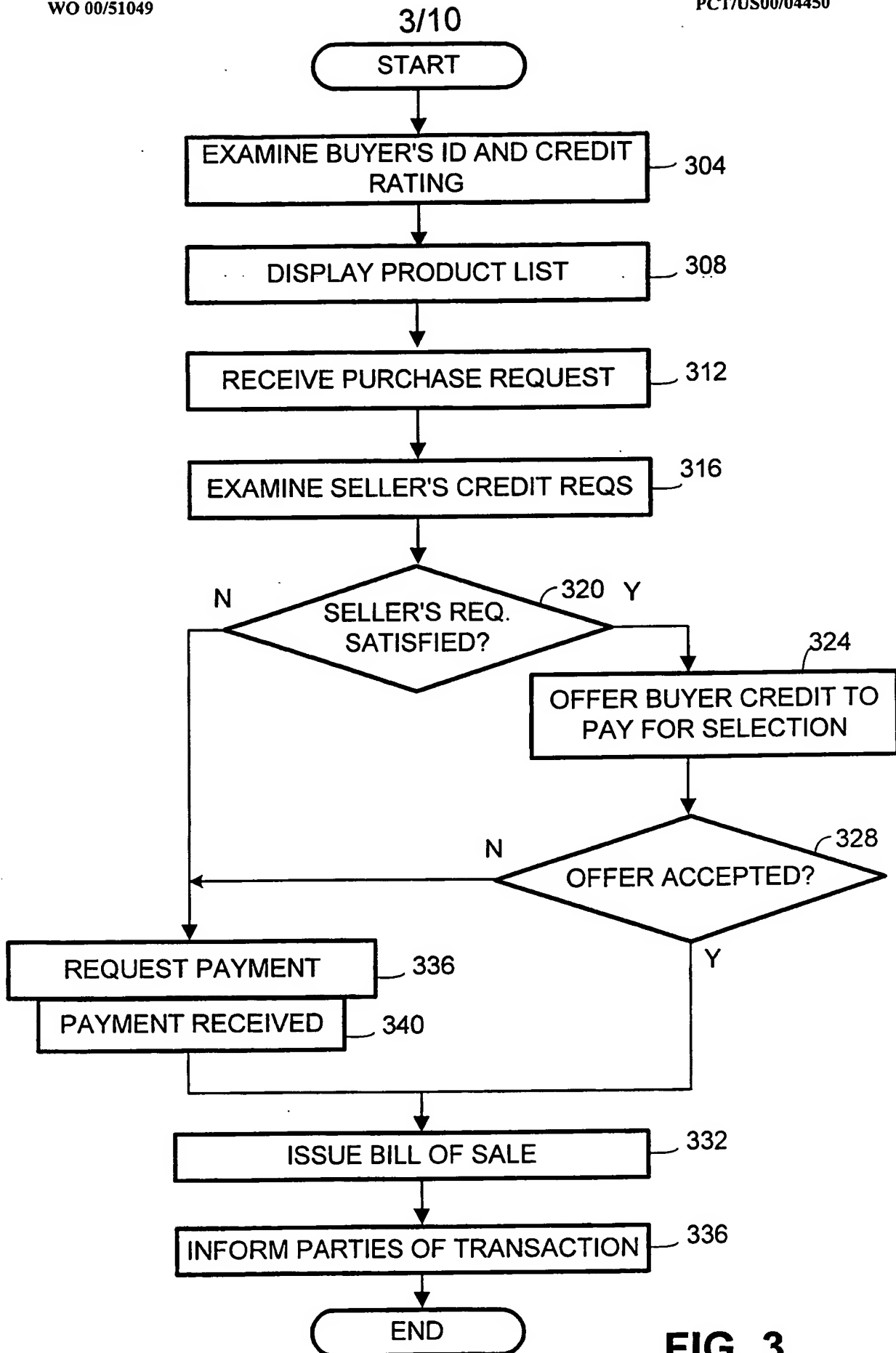
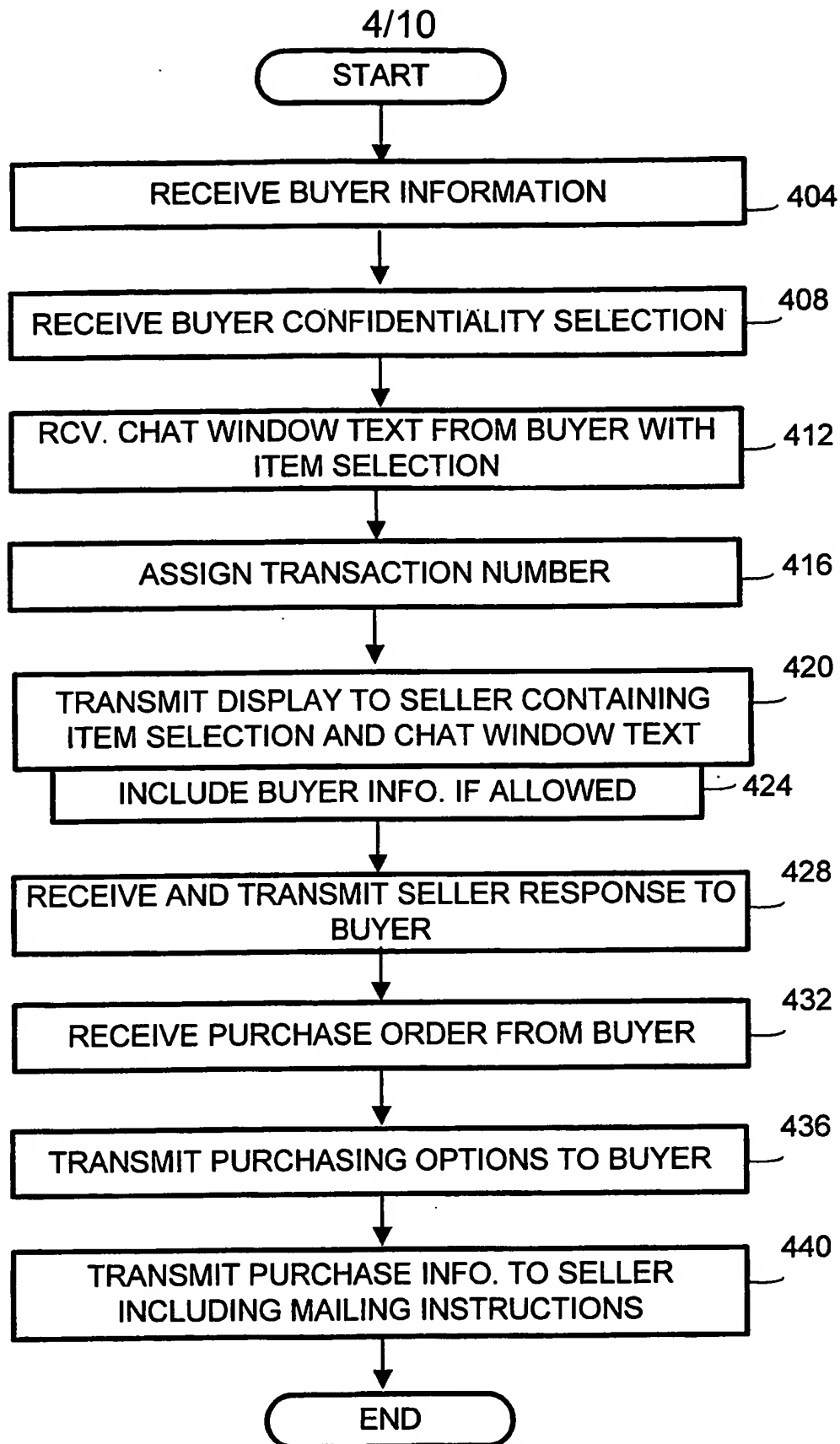


FIG. 3

**FIG. 4**

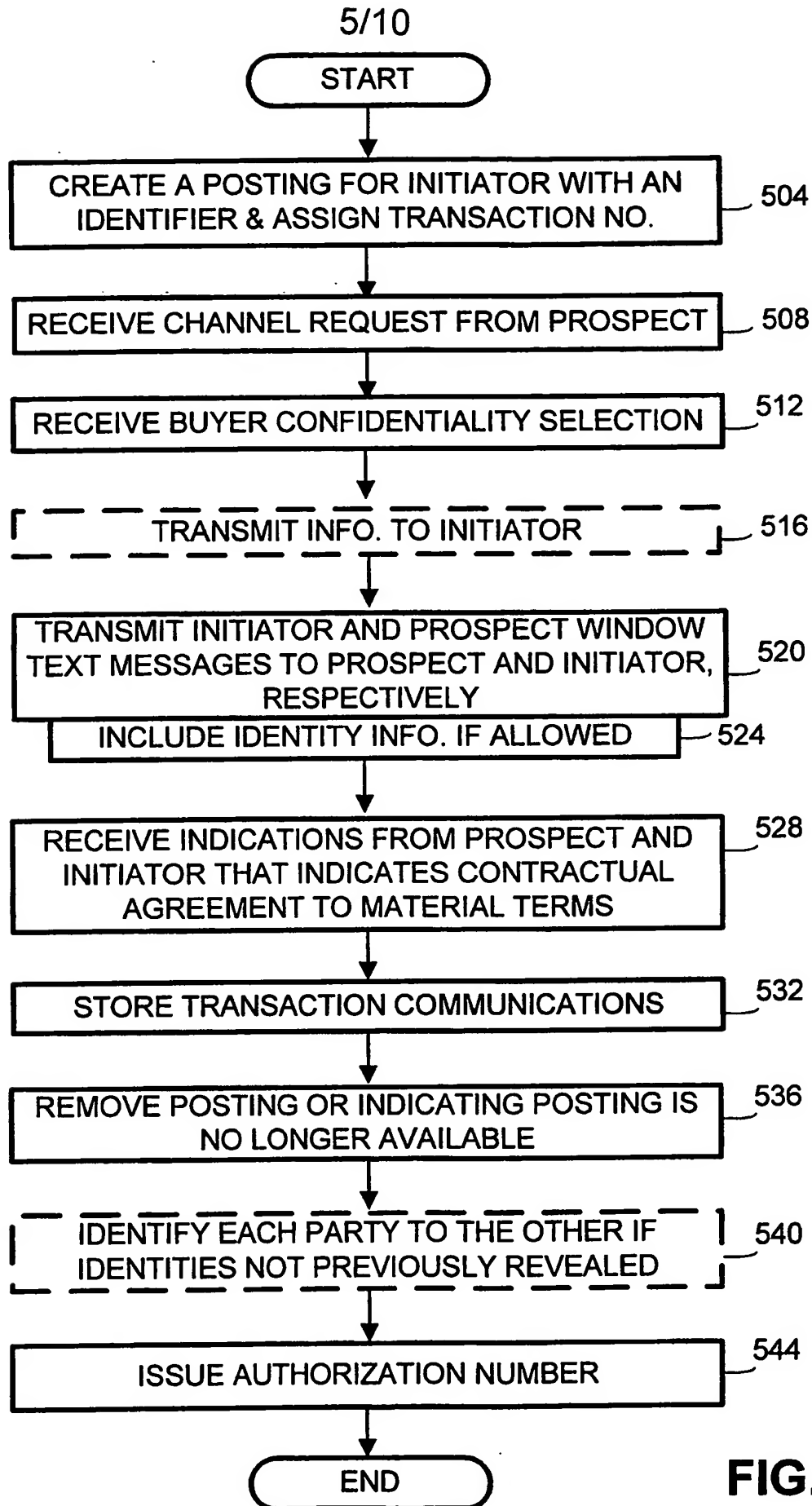


FIG. 5

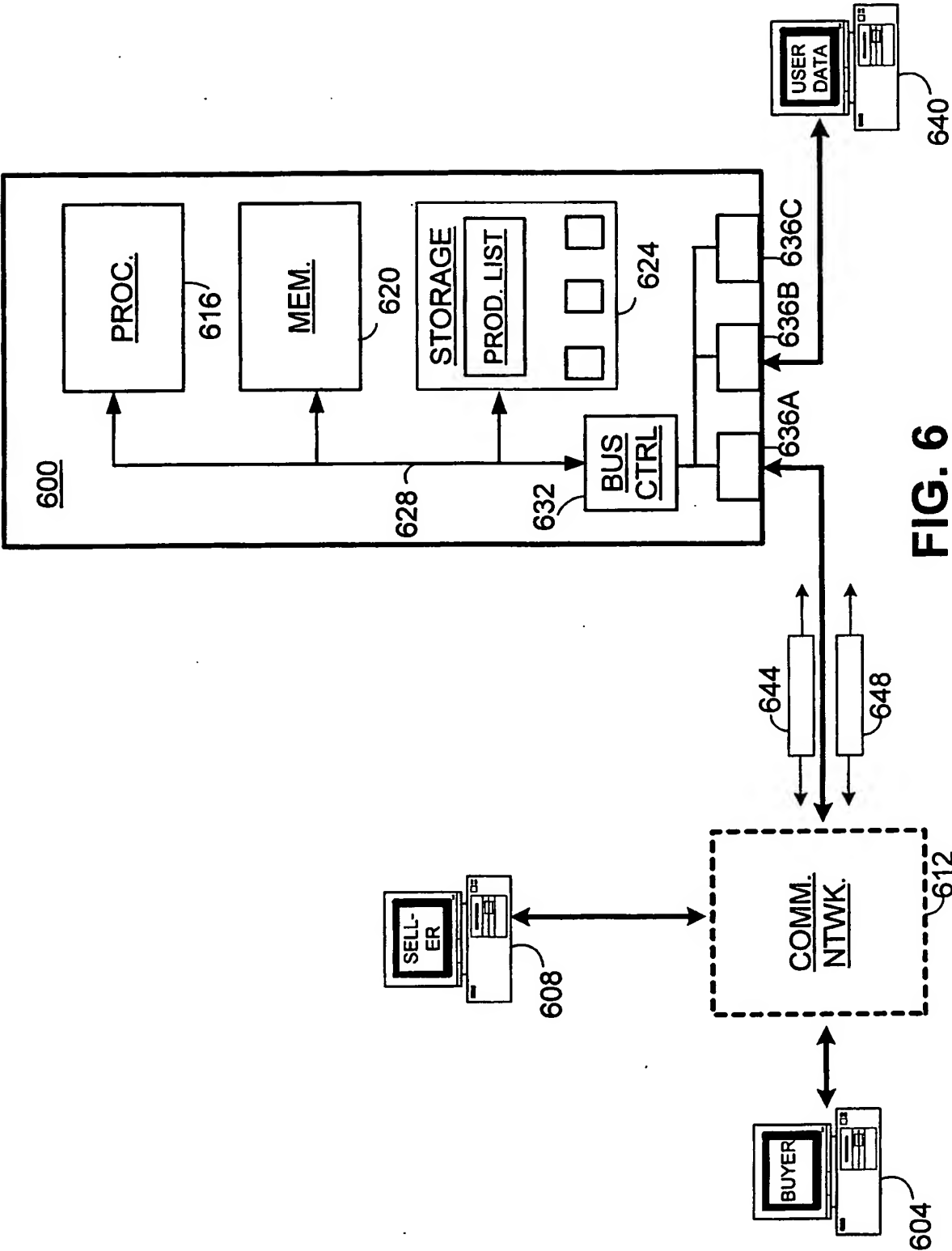


FIG. 6

CUSTOMER TABLE				
NAME	RATING	VOLUME/FLOW RATE (PER MONTH)	ACCOUNT BAL	ACCOUNT TYPE
KKH	A1	\$X1	\$Y1	PREFERRED
MKK	A4	\$X7	\$Y99	STANDARD
WEP	A2	\$X3	\$0	PREFERRED

FIG. 7

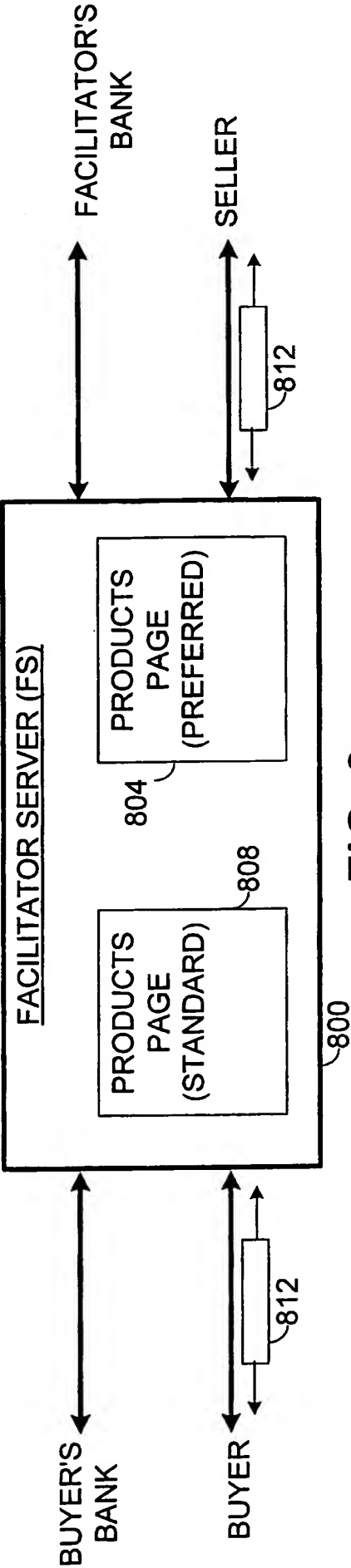
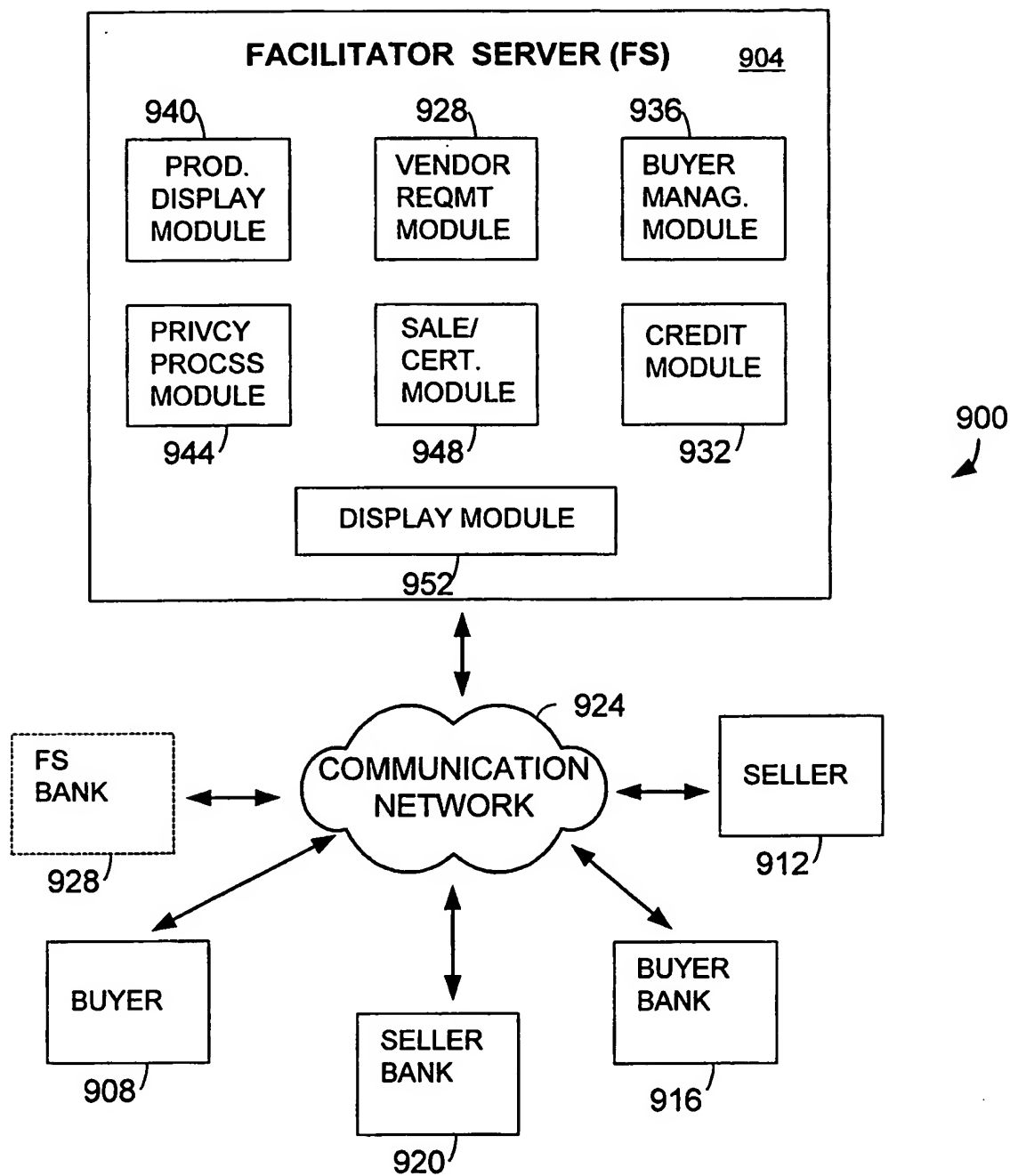


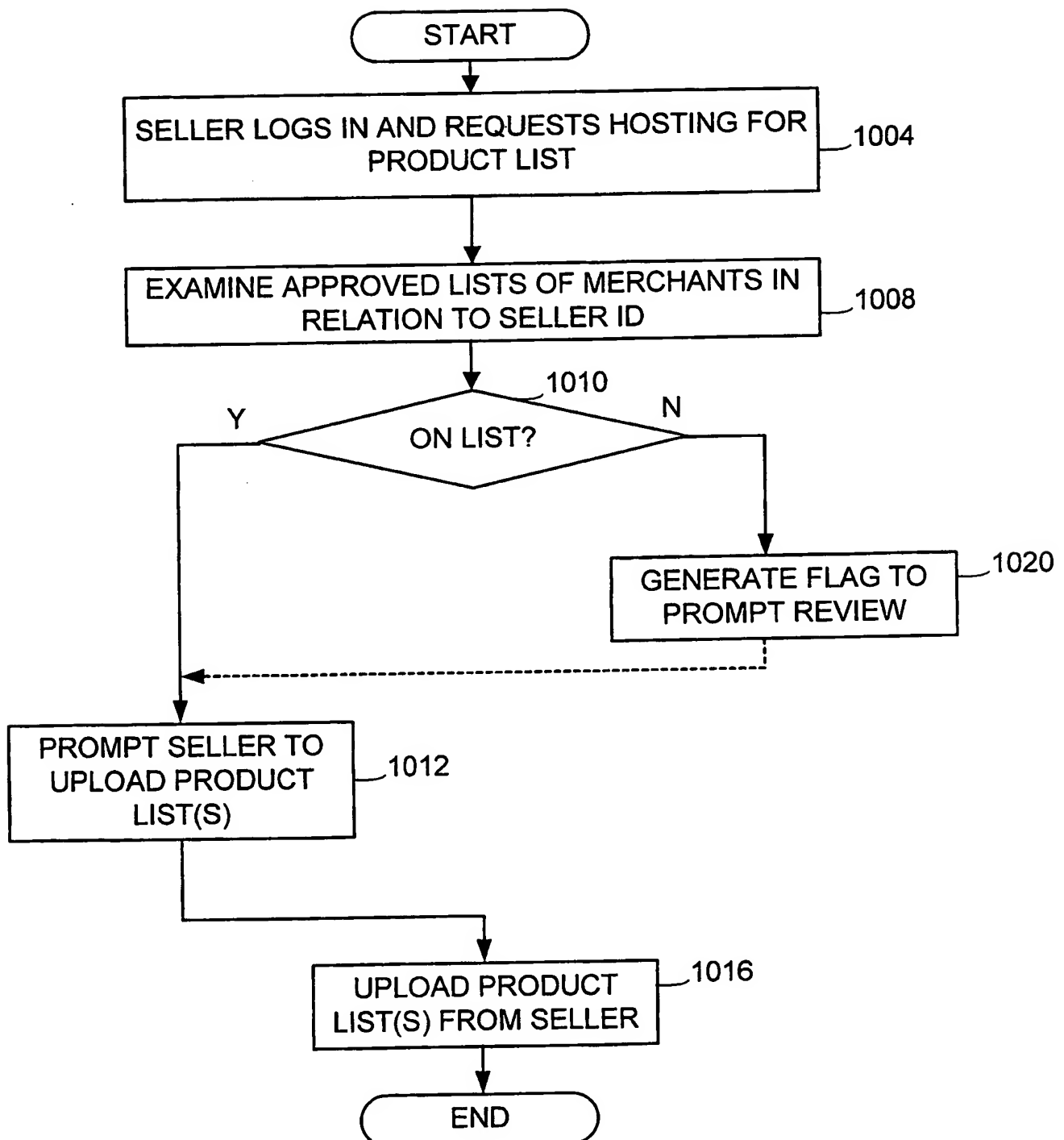
FIG. 8

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**FIG. 9**



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**FIG. 10**

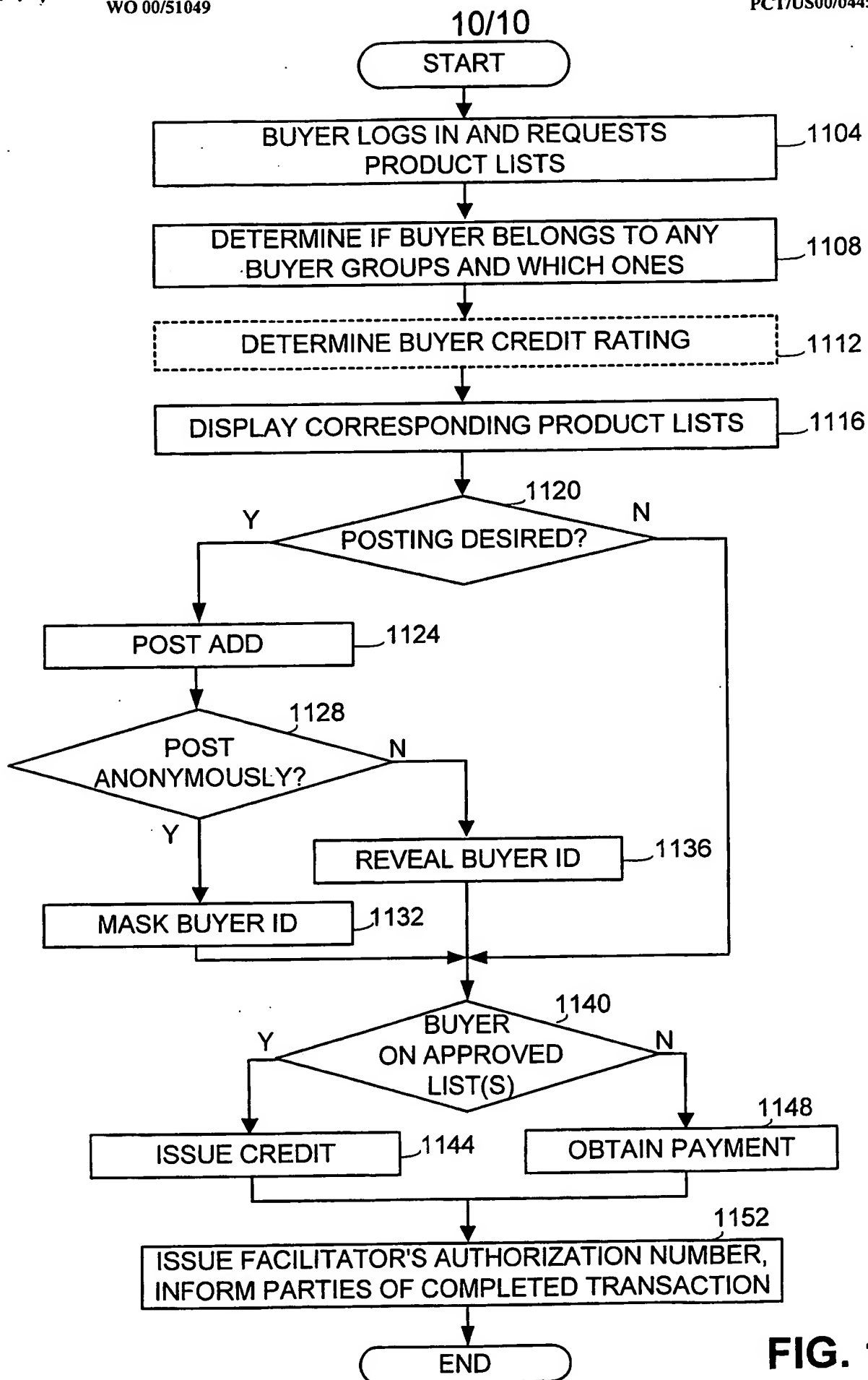


FIG. 11

## INTERNATIONAL SEARCH REPORT

 International application No.  
PCT/US00/04450

## A. CLASSIFICATION OF SUBJECT MATTER

IPC(7) : IPC(7): G06F 17/60

US CL : 705/26, 27, 75

According to International Patent Classification (IPC) or to both national classification and IPC

## B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 705/26, 27, 75

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

 Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)  
STN, WEST

## C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X,P	US 5,963,915 A (KIRSCH) 05, October 1999, claims, abstract, fig 1, 4	1-22

☐ Further documents are listed in the continuation of Box C. ☐ See patent family annex.

* Special categories of cited documents	*T* Later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention
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*L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)	*Z* document member of the same patent family
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*P* document published prior to the international filing date but later than the priority date claimed	

Date of the actual completion of the international search 08 MAY 2000	Date of mailing of the international search report 19 MAY 2000
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